NEXUSMINERALS

ASX ANNOUNCEMENT **23 October 2017**

Pinnacles Gold Project - GT5 Composite Assays Received

ASX: NXM
Capital Structure

Shares on Issue 83.3 million
Unlisted Options 1.7 million
Cash on Hand $5.035million (30/9/2017)

Corporate Directory

Mr Paul Boyatzis
Non-Executive Chairman

Mr Andy Tudor
Managing Director

Dr Mark Elliott
Non-Executive Director

Mr Bruce Maluish
Non-Executive Director

Mr Phillip Macleod
Company Secretary

Company Projects

Eastern Goldfields WA Company and Farm-In JV

Pinnacles Project (Gold)

Pinnacles JV Project (Gold)

Mt Celia Project (Gold)

Triumph Project (Gold)

HIGHLIGHTS

Pinnacles Gold Project – Eastern Goldfields WA

- **Assays received from GT5 – All 17 holes**
- **Best 4m composite sample - 4m @ 19.74g/t Au from 68m**
- **Anomalous gold 4m composite results returned in 7 of 17 holes. 3 holes return multiple anomalous zones**
- **Approximately 50 x 1m samples from anomalous intersections to be collected and submitted for analysis**
- **Balance of 31 holes 4m composite assays from GT8 and GT6 to be received over next two weeks**
- **4,108m RC drill program completed testing anomalies:**
    - **GT5 - 17 holes for 1,700m**
    - **GT6 - 26 holes for 1,908m**
    - **GT8 - 5 holes for 500m**

Eastern Goldfields gold explorer, **Nexus Minerals Limited (ASX: NXM) (Nexus or the Company)** is pleased to announce the final 4m composite sample results from its GT5 prospect - from its recently completed 4,108m RC drill program at the **Pinnacles Gold Project**.

The recently completed RC drill program was designed to test three previously identified high order auger soil geochemistry gold anomalies – GT5, GT6 and GT8. Samples have been submitted for analysis throughout the program, with results of the 4m composite sampling expected over the next 2 weeks.

Individual 1m samples will then be collected and submitted for analysis, on any composite sample returning >0.1g/t Au or exhibiting interesting geological features.

Analysis and interpretation of the results will allow follow up drilling to be planned.

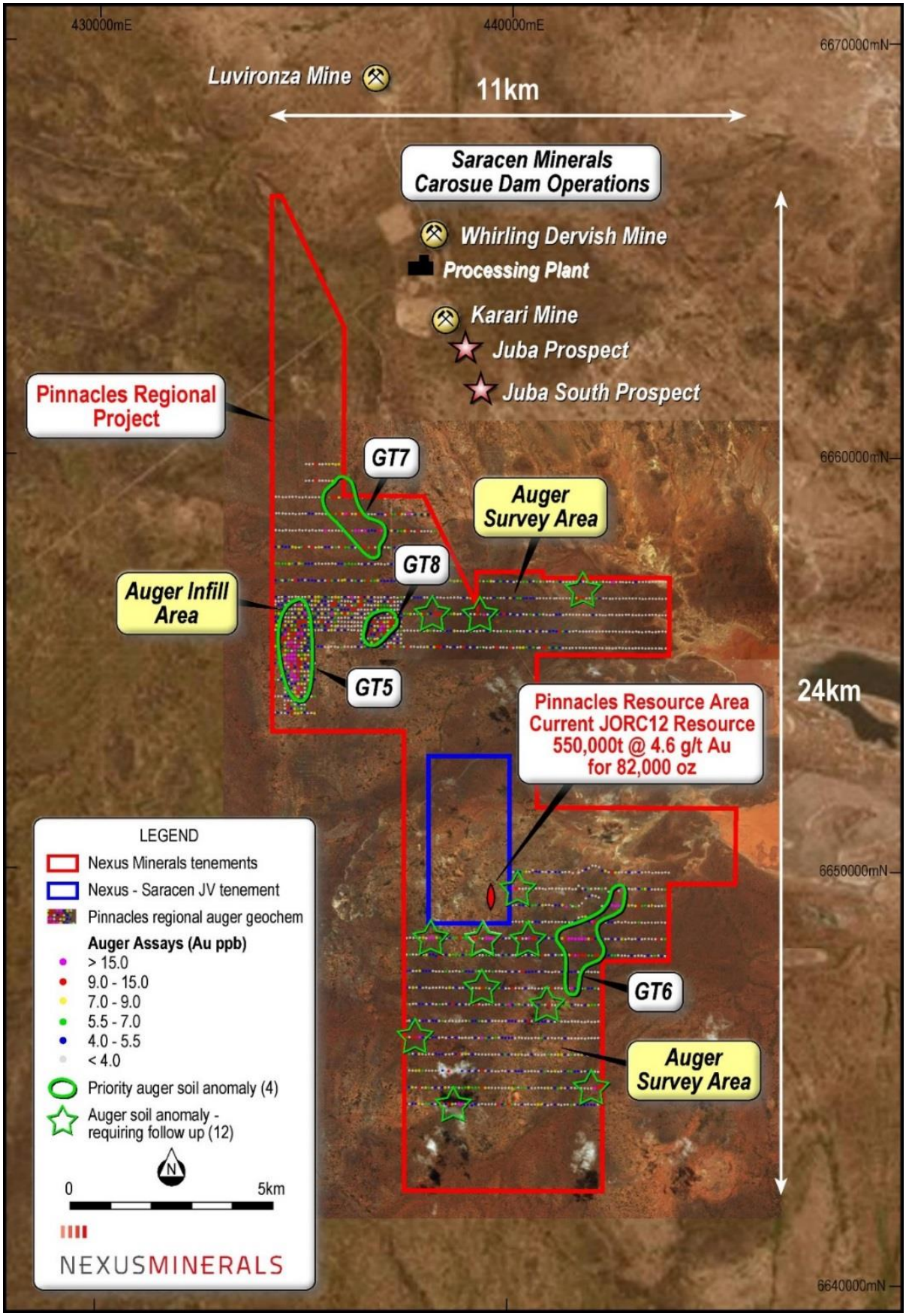

Figure 1: Nexus Pinnacles Auger Soil Survey Results

GT5 Anomaly

Analytical results (4m composites) have been received from all 17 GT5 RC drill holes – being NMPRC38 to NMPRC54. Seven (out of 17) GT5 drill holes containing multiple anomalous intersections.

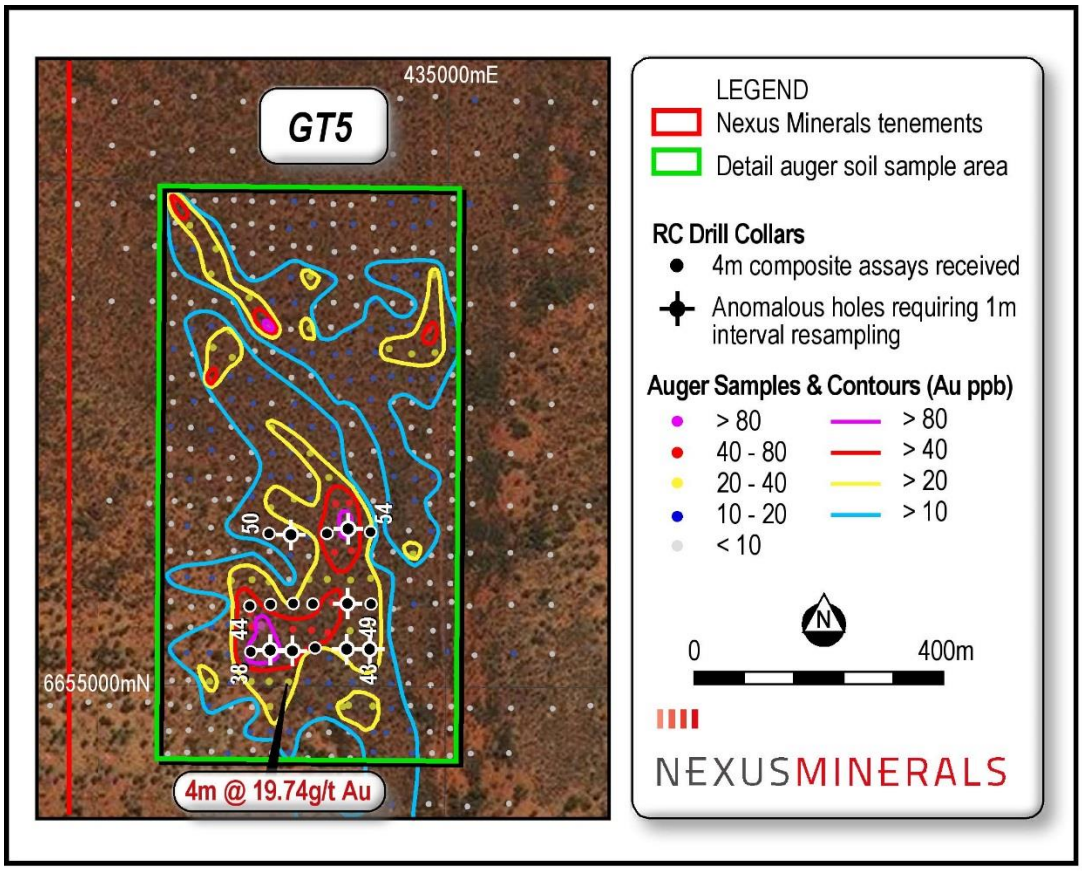

Figure 2: Nexus GT5 RC Drill Collar Locations and Results to Date

Hole_ID	GDA_94 East	GDA_94 North	RL	Depth (m)	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)
NMPRC38	434610	6655089	382	100	-60	270	NSI			
NMPRC39	434659	6655092	383	100	-60	270	52	56	4	**0.13**
							64	68	4	**0.24**
NMPRC40	434711	6655080	383	100	-60	270	60	64	4	**0.11**
							68	72	4	**19.74**
NMPRC41	434764	6655088	383	100	-60	270	NSI			
NMPRC42	434808	6655091	384	100	-60	270	72	76	4	**0.27**
NMPRC43	434858	6655092	383	100	-60	270	44	48	4	**0.10**
							56	64	8	**0.26**
NMPRC44	434615	6655189	380	100	-60	270	NSI			
NMPRC45	434663	6655186	382	100	-60	270	NSI			
NMPRC46	434715	6655187	382	100	-60	270	NSI			
NMPRC47	434766	6655188	382	100	-60	270	NSI			
NMPRC48	434816	6655188	381	100	-60	270	60	64	4	**0.203**
NMPRC49	434867	6655197	380	100	-60	270	NSI			
NMPRC50	434664	6655317	380	100	-60	270	NSI			
NMPRC51	434719	6655318	381	100	-60	270	60	64	4	**0.155**
NMPRC52	434765	6655320	380	100	-60	270	NSI			
NMPRC53	434815	6655319	380	100	-60	270	80	84	4	**0.235**
NMPRC54	434865	6655320	379	100	-60	270	NSI			

Table 1: Nexus GT5 4m Composite Gold RC Drill Results (>0.1g/t Au)

Gold Distribution and Exploration Model

The Pinnacles gold project occurs less than 10km along strike from the Saracen Mineral Holdings 1.97M ounce Karari / Whirling Dervish gold mines. The Nexus exploration model utilizes many of the known features of these deposits to assist in exploration planning.

The Saracen Karari deposit exhibits a strong surface expression of 1,000mx400m in calcareous soils with max >200ppb Au. This response overlies saprolite grading though saprock into fresh rock. Ore grade mineralisation occurs in the lower saprolite and saprock, above the primary mineralisation.

The surface gold anomaly at Karari is offset from the main primary mineralisation (Fig. 3), with the surface calcrete anomaly extending laterally for several hundred meters away from the underlying mineralisation - meaning that the main mineralised lode does not occur directly beneath the surface gold anomaly. There are numerous examples of this in the W.A. goldfields – with some offsets > 1,000m. Hence it often requires numerous phases of exploration drilling to discover the exact location of the main mineralised lode.

GT5 anomaly exhibits a strong surface expression of 2,400mx300m in calcareous soils with max 107ppb Au. First pass RC drilling has returned 7 (out of 17) anomalous drillholes with 3 of the holes containing multiple anomalous intersections. Approximately 50 of the individual 1m samples will now be collected and submitted for analysis, on any 4m composite sample returning >0.1g/t Au or exhibiting interesting geological features.

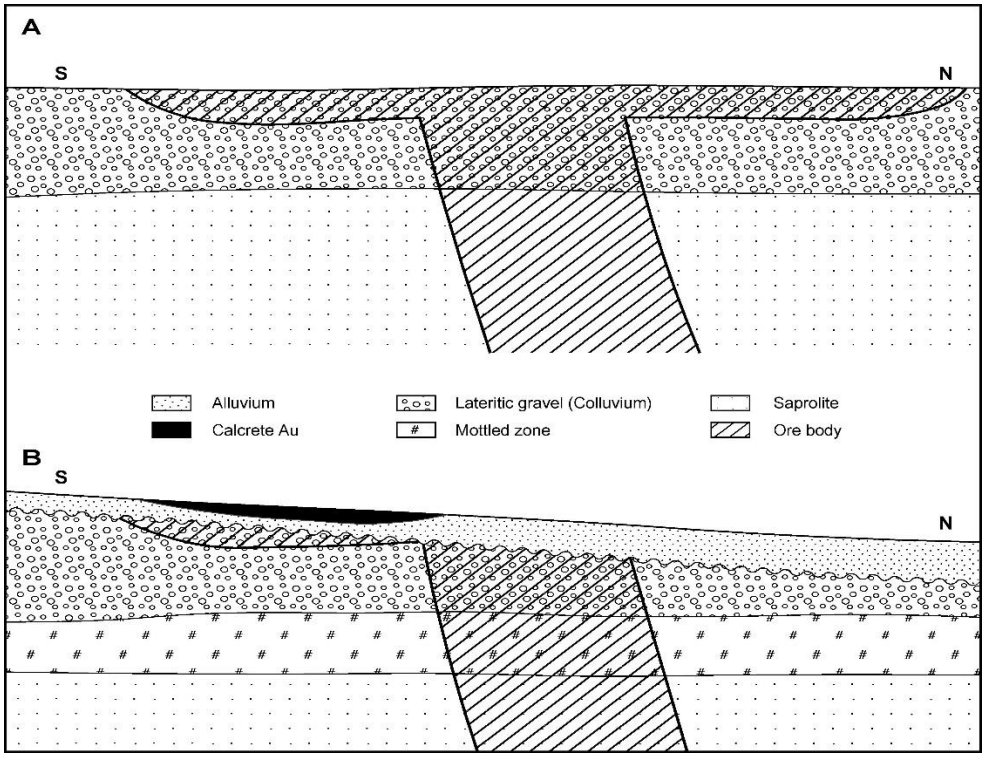

Figure 3: Saracen Karari Gold Mine – Proposed origin of surface gold anomaly
(Gray, D.J., et al. 2005. Karari and Whirling Dervish Gold Deposits, Western Australia. CRC LEME.)

A – Tertiary weathering with dispersion of gold into laterite. B – Stripping of laterite to the north, deposition of alluvium with soil gold anomaly in the south, and leaching of buried gold above strongly to moderately oxidized transition.

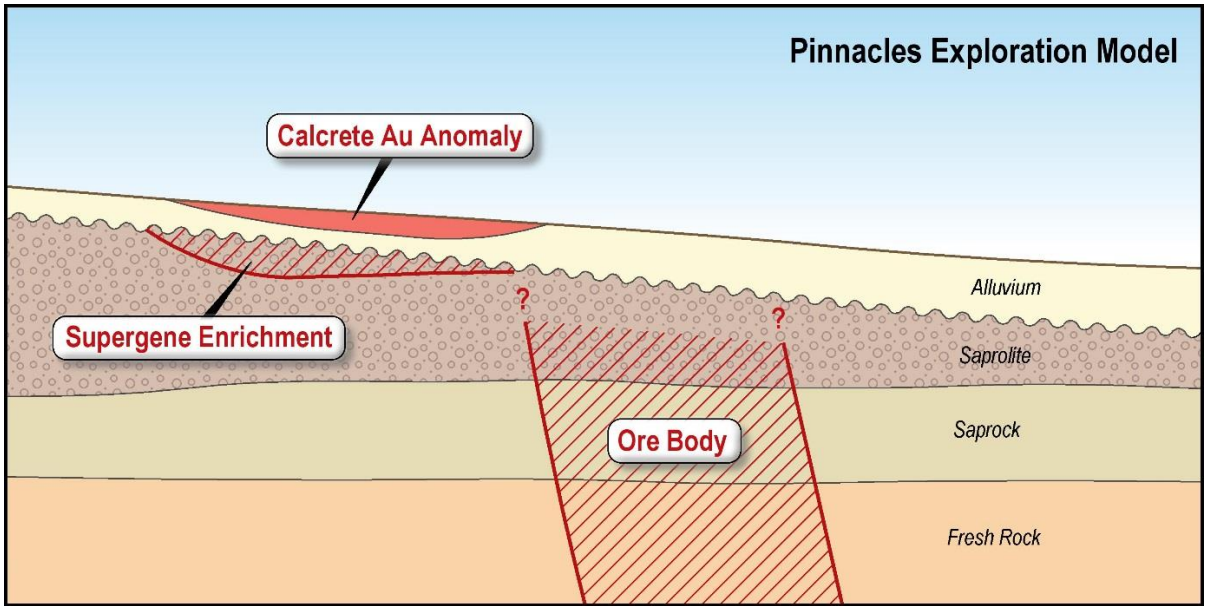

Figure 4: Pinnacles Gold Project – Exploration Model

Pinnacles Gold Project

The combined Pinnacles Gold Project area covers 125km^2 of highly deformed Archaean greenstone sequence of basalts, dolerites, and co-magmatic high-level intrusions. This mafic volcanic association is overlain by a series of medium to coarse grained volcaniclastic sandstones and subordinate felsic volcanic rocks. These greenstones have been intruded and disrupted by the forceful intrusion of a series of granitoid rocks. This geological and structural setting is considered to be highly prospective for gold mineralisation.

The project tenements are underlain by a north-south trending Archaean greenstone sequence with the Carosue Basin volcaniclastic sediments dominating to the east of the Yilgangi Fault. To the west of the Yilgangi Fault a more mafic dominated package is observed consisting of volcaniclastic sediments intercalated with basalt and ultramafic rock units with minor units. This greenstone sequence is sandwiched between two ovoid Archaean granitoid plutons to the east and the west.

Structurally the region is cut by a series of north-south trending faults with offsets of tens to hundreds of metres. These faults are particularly common in this Carosue Dam region as the greenstone belt passes through a relatively narrow “neck” between the two granitoids. This is also the area where most of the known Carosue Dam mineralisation is concentrated. Mineralisation is known to occur proximal to, and east and west of the Yilgangi Fault. This fault is a major feature that dissects the Nexus tenement package for a strike distance of some 15km.

Auger sampling targeting calcareous soils (calcrete) has been successfully employed as the preferred geochemical sampling medium for gold exploration in the Eastern Goldfields for the past decade. Mineralisation in the Carosue Dam district, including Karari, Whirling Dervish, Luvironza, Monty Dam and Twin Peaks deposits were all identified using this technique. Historically any auger soil result of >9ppb Au was considered anomalous and targeted for follow up work.

About Nexus

Nexus is actively exploring for gold deposits on its highly prospective tenement package in the eastern goldfields of Western Australia.

Nexus Minerals tenement package at the Pinnacles Gold Project is largely underexplored and commences less than 5km to the south of, and along strike from, Saracen Minerals (Saracen) >4Moz Carosue Dam mining operations, and current operating Karari underground gold mine. Nexus holds a significant land package (125km^2) of highly prospective geological terrain within a major regional structural corridor, and is actively exploring for gold deposits.

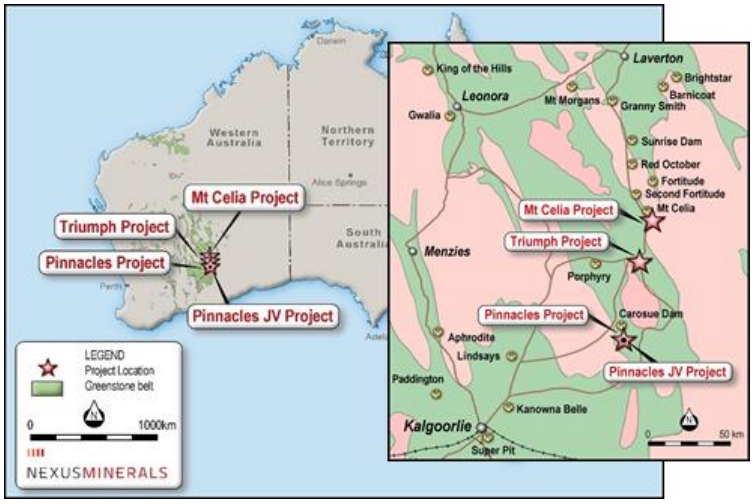

Figure 5: Nexus Project Locations – Eastern Goldfields, Western Australia

The Company has entered into a Farm-in and Joint Venture Agreement over the Pinnacles JV Gold Project with Saracen Gold Mines Pty Ltd, a subsidiary of Saracen Mineral Holdings Limited **(ASX:SAR)** (see ASX Release 17 September 2015). This investment is consistent with the Company strategy of investing in advanced gold exploration assets.

Nexus Minerals is a well-funded resource company with a portfolio of gold projects in Western Australia. With a well-credentialed Board, assisted by an experienced management team, the Company is well placed to capitalise on opportunities as they emerge in the resource sector.

- Ends -

Enquiries **Mr Andy Tudor, Managing Director**
Mr Paul Boyatzis, Non-Executive Chairman

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Website www.nexus-minerals.com

ASX Code **NXM**

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Andrew Rowell – Cannings Purple +61 8 6314 6314

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation, prepared, compiled or reviewed by Mr Andy Tudor, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Tudor is a full-time employee of Nexus Minerals Limited. Mr Tudor has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". The exploration results are available to be viewed on the Company website www.nexus-minerals.com. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements. Mr Tudor consents to the inclusion in the reports of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Nexus Minerals Limited Pinnacles JV Mineral Resource is based upon information from the Company's announcement dated 13 October 2016 and is available to view on the Company's website at www.nexus-minerals.com. The information was compiled by Mr Paul Blackney, a Competent Person who is a member of The Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Blackney is a full-time employee of Optiro Pty Ltd, consultants to Nexus Minerals Limited. Mr Blackney has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Appendix A 23 October 2017

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	The sampling was carried out using Reverse Circulation Drilling (RC) (48 holes) were drilled in this program. RC chips provide high quality representative samples for analysis. Sampling was carried out in accordance with Nexus Minerals protocols and QAQC procedures which are considered to be industry best practice. RC holes were drilled with a 5.5inch face sampling bit, with 1m samples collected through a cyclone and cone splitter producing a 2-3kg sample. All samples had 4 consecutive 1m samples composited to form a 4m composite sample which was sent to the laboratory for analysis. All samples were pulverized at the laboratory to -75um, to produce a 50g charge for gold Fire Assay with ICP finish and Portable XRF analysis.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	An RC drilling rig, owned by Raglan Drilling, was used to undertake the RC drilling and collect the samples. The face sampling bit had a diameter of 5.5 inches (140mm). 48 holes were completed. Total RC 4108m.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	All samples were dry with no significant ground water encountered. RC face sampling bits and dust suppression were used to minimise sample loss. Average RC meter sample weight recovered was 25kg with minimal variation between samples.

Criteria	JORC Code explanation	Commentary
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No sample bias is believed to have occurred during the sampling process.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	All RC chip samples were geologically logged by Nexus Minerals Geologists, using the approved Nexus Minerals logging code. Logging of RC chips: Lithology, mineralogy, alteration, mineralisation, colour, weathering and other characteristics as observed. All RC samples were wet sieved. All holes and all meters were geologically logged.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	One meter RC drill samples pass through a rotary cone splitter, installed directly beneath a rig mounted cyclone, and a 2-3kg sample collected in a numbered calico bag. The balance of the 1m sample ~25kg is collected in a green plastic bag. The green bags are placed in rows of 20 and the corresponding calico bag placed on top of the green bag. For composite samples four consecutive green bags were sampled using an aluminium scoop which penetrates the entire bag with multiple slices taken from multiple angles to ensure a representative sample is collected. These are combined to produce a 4m composite sample of 2-3kg. All samples submitted for analysis were dry. Samples were prepared at the Intertek Laboratory in Kalgoorlie. Samples were dried, and the whole sample pulverized to 85% passing 75um, with a sub-sample of ~200g retained. A nominal 50g was used for analysis. This is best industry practice. A duplicate field sample is taken from the cone splitter at 1:25 samples.

Criteria	JORC Code explanation	Commentary
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Sampling methods and company QAQC protocols are best industry practice. Sample sizes are considered appropriate for the material being sampled and the sample size being submitted for analysis.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Samples were analysed at the Intertek laboratory Perth. 4m composite samples were analysed for gold only using Fire Assay technique with ICP finish. This method is considered appropriate for the material being assayed. The method provides a near total digestion of the material. Portable XRF analysis (30 elements) was undertaken on all samples at the laboratory. This method is considered appropriate for the material being assayed. The method provides a near total digestion of the material.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Handheld XRF instrument was used – Mode Soil, Model InnovXDelta Premium, Reading Time 30sec, LOD Sigma=2. No other geophysical tools, spectrometers etc… were used in this drill program.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Nexus Minerals protocol provides for Certified Reference Material (Standards and Blanks) to be inserted at a rate of 4 standards and 4 blank per 100 samples. Field duplicates are inserted at a rate of 1 per 25 samples. Industry acceptable levels of accuracy and precision have been returned.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.*	Significant intersections were verified by the Exploration Manager. No twin holes were drilled as part of this program

Criteria	JORC Code explanation	Commentary
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. *Discuss any adjustment to assay data.*	All field logging is carried out on a Toughbook computer. Data is submitted electronically to the database geologist in Perth. Assay files are received electronically from the laboratory and added to the database. All data is managed by the database geologist. No adjustment to assay data has occurred.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	Drill hole locations were determined using a handheld GPS, with an accuracy of 5m. Down hole surveys were taken using gyro survey tool to take dip/azimuth readings every 10m. Grid projection is GDA94 Zone51. The drill hole collar RL is allocated from a handheld GPS. Accuracy is +/- 5m.
Data spacing and distribution	Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied.	Drilling took place in 3 prospect areas GT5, GT6, GT8. **This release refers to GT5 results only.** Line spacing was 100m / Hole Spacing 50m. The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity appropriate for any Mineral Resource and Ore Reserve estimation procedure(s) and classifications to be applied. Yes as stated above.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	The orientation of the drill lines is considered to be perpendicular to the strike of the regional structures controlling the mineralisation (180 degrees). All holes were drilled -60 degrees towards 270 degrees. The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.
Sample	*The measures taken to ensure sample security.*	Pre numbered calico bags were placed into green plastic bags, sealed and transported to the Intertek laboratory in Kalgoorlie by company

Criteria	JORC Code explanation	Commentary
security		personnel.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	All sampling, logging, assaying and data handling techniques are considered to be industry best practice.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Drilling was undertaken on tenement E28/2526. Nexus 90% / Pumphyry 10% There are no other known material issues with the tenements. The tenements are in good standing with the Western Australian Mines Department (DMP).
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	The tenement has been subject to minimal prior exploration activities.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Pinnacles Regional Gold Project area covers 125km^2 of a highly deformed Archaean greenstone sequence of basalts, dolerites, and comagmatic high-level intrusions. This mafic volcanic association is overlain by a series of medium to coarse grained volcaniclastic sandstones and subordinate felsic volcanic rocks. These greenstones have been intruded and disrupted by the forceful intrusion of a series of granitoid rocks. Gold mineralisation is known to occur within shear zones hosted within all rock types. It is often associated with quartz veining and sheared altered host rocks.

Criteria	JORC Code explanation	Commentary
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Refer to ASX announcements for full tables.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Grades are reported as down-hole length weighted averages greater than 0.1g/t Au. No top cuts have been applied to the reported assay results. No aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results. No metal equivalent values were reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	The orientation of the drill lines is considered to be perpendicular to the strike of the regional structures controlling the mineralisation (180 degrees). All holes were drilled -60 degrees towards 270 degrees. All reported intersections are down-hole length – true width not known.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to the maps included in the text.

Criteria	JORC Code explanation	Commentary
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	See Table 1. Results are reported with results above 0.1g/t Au cut off.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No other exploration data to be reported.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Post full assessment of recent RC drill results and integration with existing data sets, future work programs may include further RC and/or Diamond drilling to follow up on the results received from this drill program.